



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING



ISMAEL AHMED
DIRECTOR

September 30, 2008

The Honorable Bill Hardiman, Chair
Senate Appropriations Subcommittee on DHS
9115 Farnum Building
P.O. Box 30036
Lansing, MI 48909-7536

The Honorable Dudley Spade, Chair
House Appropriations Subcommittee on DHS
Michigan House of Representatives
Lansing, MI 48909-7515

Dear Senator Hardiman and Representative Spade:

Section 571 of 2007 Public Act No. 131 requires the Department of Human Services to prepare quarterly reports on the status of the department budget on activities and progress toward meeting the responsibilities of the Federal Compliance Office.

The enclosed report is separated into the five sections specified in Section 571, and includes two attachments that offer an example of specific materials being developed to implement and monitor the newly established Child Welfare Funding Specialist positions.

If you have any questions about the attached material, please contact Mary Mehren, Director of the Federal Compliance Office, at 241-7521.

Sincerely,

Ismael Ahmed

Enclosure

cc: Senate and House Appropriations Subcommittees on DHS budget
Senate and House Fiscal Agencies
Senate and House Policy Offices
State Budget Director

Federal Compliance Office
Fiscal Year 2008
Boilerplate Report - Section 571

Sec. 571. The department shall establish a title IV-E compliance and accountability office with the following goals and responsibilities:

The Federal Compliance Office is operational within DHS. There are two units within the Office that focus on compliance activities for all federal child welfare programs.

The Child and Family Services Review Unit (CFSR) has the primary responsibility for assuring that Michigan is achieving the federal goals required pursuant to the Adoption and Safe Families Act of 1997. The CFSR unit works with DHS staff, other State Departments, the Supreme Court, the State Court Administrative Office, private provider agencies and the federal government to develop the required statewide assessment of our child welfare system. This self-assessment is a key part of the preparatory phase for the federal on-site Child and Family Services Review that is scheduled for the week of September 21, 2009. Conformance to the CFSR outcomes is critical in assuring services to families and children are achieving the desired results. Additionally, federal penalties to title IV-E and title IV-B, Subpart 2, can result from a finding of non-conformance. Therefore, the focus of the CFSR unit is to work with DHS field offices to assure adherence to the priorities.

The focus of the Title IV-E unit is to assure compliance with federal title IV-E program requirements, to maximize the amount of federal funding Michigan receives annually, and to act as a resource for our private Child Placing Agency partners related to payment issues that may arise. Michigan's next federal title IV-E review will occur in approximately March of 2010. The staff of the title IV-E unit is currently training the title IV-E Specialists hired in the DHS field offices. A monitoring process and internal procedures are being developed to assure conformance with eligibility determination and redetermination is occurring.

The Office is fully staffed as of August 25, 2008. There has been some delay in staffing the Office based on the need for DHS field offices to have a replacement staff person on-board and trained in order that a foster care or protective services caseloads are not left uncovered.

(a) Study efforts in other states to determine best practices for title IV-E related activities and measures to maximize the receipt of federal money for eligible cases.

The states of Ohio and Virginia were studied and a number of recommendations were made as a result of the visit to Ohio. Staff in the title IV-E unit have begun implementation of several recommendations from Ohio. Specifically, the Juvenile

Justice Security Matrix and associated program policies were modified to enable facilities to more readily develop programming that would be title IV-E reimbursable. From research, staff learned that Virginia had some issues with appropriate federal claiming related to their juvenile justice candidate population. Virginia's federal claim was disallowed and they negotiated a repay agreement with the Administration for Children and Families. Other states, Wisconsin and Minnesota, are also being studied to assure that Michigan's policy and practice are similar to other states in Federal Region V.

(b) Coordinate compliance with federal regulations in order to receive title IV-E money.

Federal regulations are being reviewed to determine compliance. Michigan's title IV-E state plan has been revised. Michigan submitted a Program Improvement Plan (PIP) for the state plan to assure compliance in the Adoption Support and Foster Care federal regulations. The next quarterly report on that PIP will be submitted to Federal Region V in November 2008.

Michigan's title IV-E Review PIP is also being monitored and implemented. Compliance with the former AFDC program's two-step income test within the SWSS FAJ has been tested and was released to SWSS FAJ Production in August 2008. Compliance with the two-step income test is a federal requirement.

The Children's Rights Settlement has incorporated the Child and Family Services Review standards as the specific standard of performance for Michigan for settlement activity. DHS and Michigan, through the auspices of this office, are making progress in assuring federal compliance.

(c) Provide necessary technical assistance to local units of government, including courts, to ensure proper handling of cases and paperwork in preparation for federal audits and reviews.

The title IV-E unit staff are currently training the Child Welfare Funding Specialists (commonly referred to as IV-E Funding Specialists) who have been hired in the local offices. A series of training sessions are being scheduled through October, with a plan for continued evaluation of need for the remainder of 2008. Hiring of the Child Welfare Funding Specialists has been delayed based on the need to hire replacement staff for many of the senior staff who are taking the Child Welfare Funding Specialist jobs. Training for the replacement foster care hires is occurring during July and August.

Planning and coordination has begun with DHS Field Operations regarding the monitoring of Child Welfare Funding Specialists in the local offices. The Central Office title IV-E unit will implement a process to assure that local office staff process title IV-E determinations and redeterminations in accordance with federal regulations.

Coordination with State Court Administrative Office (SCAO) has also commenced with regard to trainings and preparation for the title IV-E Federal Review. The SCAO Title IV-E Coordinator has been working with DHS in developing plans for training of court and DHS staff on title IV-E requirements. Additional coordination with SCAO is anticipated as planning for the on-site federal review continues.

The Title IV-E Office staff are developing an outreach and monitoring plan related to the title IV-E cost sharing agreements with the county Prosecuting Attorney (PA) offices. The PA contracts are fund enhancements for the counties and do not impact state revenues. Federal regulations permit a title IV-E administrative claim to be made for the activities of a PA office in the representation of DHS staff in child abuse and neglect hearings. Review of the existing 33 contracts, as well as review of federal regulations has occurred to ensure maximization of federal funds with increased tracking mechanisms. New contracts will be issued beginning calendar year 2009. With these new contracts, additional efforts will be made to offer a contract to local PA offices currently not participating in this cost sharing program. The 2009 contracts will have specific tracking mechanisms developed to improve reporting on maximization of these federal dollars. In 2007, these contracts meant \$499,141.41 to the counties. It is anticipated that the 2009 contracts could double that amount.

Technical assistance continues to be offered to local offices and courts on specific child welfare cases regarding appropriate title IV-E eligibility. An internal DHS title IV-E Review Committee, comprised of staff from the title IV-E unit and DHS Field Operations, reviews pending inquiries from courts and local DHS offices on a weekly basis. Additionally, the Title IV-E unit has been processing the retro-rate increases granted to Private Child Placing Agencies and Residential Treatment facilities in the FY 2008 budget as well as computing the Maximus Task 1a computations for title IV-E enhancement.

(d) Coordinate a program to provide private persons, groups and corporations with incentives to make tax-deductible contributions intended to assist foster care families to overcome barriers to becoming licensed and eligible to receive title IV-E money.

Title IV-E Compliance Office staff have begun research on this item. Several applicable programs across the nation, including Ohio, Colorado and Georgia have been identified as providing similar assistance in varying models of practice. This office prepared an overview document with program options so that meetings with external partners can address the models and begin development of detailed recommendations to coordinate such a program.

- (e) Prepare quarterly reports to the house and senate appropriations subcommittees on the department budget on activities and progress toward meeting the responsibilities outlined above.**

The next quarterly report will be submitted October 2008.

Attachment A - Establishment and Monitoring of Child Welfare Funding Specialists *Recommendations*

Child Welfare Funding Specialists Work Plan Development

This correspondence will address the functions and requirements associated with the newly established Child Welfare Funding Specialist (CWFS) positions, commonly referred to as Title IV-E workers. Given the significance of these allocations, it is essential that each local office/district contemplate and develop a work plan so that the job duties assigned to these positions are adequately addressed with staff and supervision. The Action Items below must be incorporated in those plans.

Action Items to be considered in Work Plans for CWFS

- Plan for workload distribution within county/district or across counties (for multiple county allocations), including supervisory assignments
- Back up work plans (due to CWFS absences)
- Plan for communicating with all child welfare staff on the establishment of these work plans and CWFS functions
- Initial Funding determinations and information gathering process
- Re-determination of Funding and information gathering process
- Review and entry of court orders
- Coordination with court around problem orders
- Notification to CWFS of placement changes and foster home license changes
- Assignment/review process for relative licensure activities such as background checks, home study reports
- Coordination with CPS, Adoption, Licensing, Juvenile Justice, FIP in obtaining information necessary to complete duties
- Access/training of related information systems (i.e. CIMS, Child Support, SSA, LOA2)
- Federal IVE Review preparation activities/responsibilities
- Plan for completion and submission of Monthly CWFS Reports (addressed in more detail below under heading, Child Welfare Funding Specialist Monitoring.)
- Process for CWFS to conduct title IV-E reviews of cases using the Case Reading tool DHS-436. It is expected that prior to the Federal Period Under Review (April 1 - September 30, 2009) local offices will have all title IV-E eligible cases reviewed with the DHS 436 and a copy of that case read is available in the case file for supervisors to review through the course of other case reading responsibilities.

This work plan should in some way address how each local office/district intends to handle the above noted items in addition to local office contacts relevant to the positions (i.e. name and contact information for each CWFS and their assigned supervisor(s), other local office contact or liaison that will be immediately involved in coordination of CWFS duties.) Local offices/districts that have been assigned CWFS are responsible for

creating and submitting a work plan for their county office(s)/district by September 30, 2008.

Specific training has been established and scheduled for these new staff and their assigned supervisors. Job Aides related to the functions of the CWFS, as well as work flow, are being provided in these trainings. Those same Job Aides and other title IV-E communications can be found on the DHS Net at the Title IV-E Publications website <http://intranet-01.mfia.state.mi.us/TitleIV-E/index.html>.

Child Welfare Funding Specialist Monitoring

As a means of collecting data relative to our newly allocated CWFS, the local office/district is expected to complete and submit Monthly CWFS Reports on activities conducted in those positions. As indicated above, the Work Plan submitted by each local office/district should outline the method of reporting on a monthly basis. This allows for flexibility at the local level relative to completion of this task, most suitable for that office's functioning. Regardless of the method, the Monthly CWFS Reports submitted must cover the activity for the local office/district. A copy of the report is attached and is also available as a template at the DHS Net at the Title IVE Publications website <http://intranet-01.mfia.state.mi.us/TitleIV-E/index.html>.

The Federal Compliance Office has established Departmental Analyst positions to be responsible for reviewing and compiling information received from these reports in order to provide required updates to our Administration and legislature on this critical field function. The Federal Compliance Office, in coordination with Field Operations, will be utilizing these work plans and monthly reports to drive technical support and training to the field.

The Monthly CWFS Reports and Work Plans should be submitted to:

Department of Human Services
Federal Compliance Office
235 S. Grand Avenue, Suite 501
Lansing, MI 48909
Fax: 517-241-7943
Email: CampauW@michigan.gov

Attachment B - Department of Human Services Child Welfare Funding Specialist Monthly Report

This report is to be completed and submitted to the Federal Compliance Office by the 15th day of the month following the Report Period. The information should be inclusive for all CWFS activities named below for this report. The report should be reviewed by the manager for the CWFS.

Child Welfare Funding Specialist Name(s):

County/District: _____

Report Period: _____ (month/year)

Initial Funding Determinations

- Number of Initial Determinations completed during this report period: _____
- Number of those found:
 - Eligible/ IVE Funded: _____
 - Eligible/ Not IVE Funded: _____.
Indicate reasons children not IVE funded: _____
 - Ineligible: _____. Please check reasons children not IVE eligible:

<input type="checkbox"/> ADCF Standard	<input type="checkbox"/> Removal Household
<input type="checkbox"/> Ineligible or named Placement	<input type="checkbox"/> Court Order
<input type="checkbox"/> Co-Supervision with another agency/court	
<input type="checkbox"/> Other: _____ If Other, please explain: _____	

Re-determination of Funding

- Number of Re-determinations completed: _____
 - Number of those found:
 - Continued Eligibility: _____
 - Discontinued Eligibility: _____.
Please indicate reasons for loss of eligibility: _____
 - Gained Eligibility: _____

Court Orders

- Number of Removal Orders reviewed/entered to SWSS: _____
- Number of Errors/missing for each:
 - _____ Contrary to the Welfare _____ Reasonable Efforts
 - _____ Placement with DHS _____ Administrative errors (i.e. date, signature)
- Number of Permanency Orders reviewed/entered to SWSS:
- Number of Errors/missing for each:
 - _____ Untimely findings _____ Inappropriate Federal Permanency Plan
 - _____ Placement with DHS _____ Administrative errors (i.e date, signature)

Please indicate those court officials (Judges or Referees) who are responsible for the above noted errors:

Relative Licensure Activities

Please describe below the relative licensure activities completed by each CWFS. This should include quantitative data regarding number of studies completed, home visits and interviews, background checks, etc.

Other CWFS Activities

Please describe below any other activities completed by each CWFS in your county. This may include case reads for IVE eligibility, etc.

Questions/Concerns

Please indicate below any questions or concerns you have for the Federal Compliance and Accountability Office (including Technical Assistance and training issues).

Submitted by: _____

Supervisory Review: _____